Government of Saskatchewan

Annual Report 2001-2002

Saskatchewan Beef Development Board

Annual Report
2001-2002

Saskatchewan Beef Development Board

Annual Report for the twelve months
ending March 31, 2002.

102-07079/

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LETTERS OF TRANSMITTAL

July 31, 2002

To Her Honour
The Honourble Lynda Haverstock
Lieutenant Governor of the Province of Saskatchewan

Your Honour:

I have the honour to submit the annual report of the Saskatchewan Beef Development Board for the twelve months ending March 31, 2002.

Respectfully submitted,

Clay Serby

Clay Serby,
Deputy Premier
Minister of Agriculture, Food and Rural Revitalization

July 20, 2002

Honourable Clay Serby
Deputy Premier
Minister of Agriculture, Food and Rural Revitalization
Room 307, Legislative Building
Regina, Saskatchewan
S4S 0B3

Dear Sir:

I am pleased to present herewith the Annual Report of the Saskatchewan Beef Development Board for the twelve months ending March 31, 2002.

Respectfully submitted,

Keith Howse, Chairperson
Saskatchewan Beef Development Board

The Beef Development Fund

The Beef Development Fund (BDF) supports the development and diversification of Saskatchewan's beef industry through the funding of projects related to production research, technology transfer, and development and promotion of new products.

The fund was established in 1994 utilizing funds saved due to the termination of the National Tripartite Stabilization Program for Cattle and the marketing surplus from the Saskatchewan Beef Stabilization Board marketing account.

Approval Process
After each deadline date, project proposals are reviewed and considered for approval by the BDF Board. Applicants are advised of the Board's decision within 60 days. Successful applicants are invited to enter into a contract with the Saskatchewan Beef Development Fund.

Applications Forms
Applicants can use Saskatchewan Agriculture, Food and Rural Revitalization's Agriculture Development Fund (ADF) Project Application Forms, available from the Agriculture Research Branch of Saskatchewan Agriculture, Food and Rural Revitalization, Room 329, 3085 Albert St., Regina, Sask., S4S 0B1, or all Saskatchewan Agriculture, Food and Rural Revitalization's Rural Service Centres throughout the province. These forms can also be downloaded from the Research section of the Saskatchewan Agriculture, Food and Rural Revitalization Web site at www.agr.gov.sk.ca.

Application Dates
The deadline for applications is January 15 of each year.

Funding
Approved projects are eligible for funding of up to 100 percent of eligible costs. The decisions are based on the benefit to the beef industry.

Eligible Costs
- professional or technical salaries and fees
- equipment rentals
- materials and supplies
- project travel
- workshop or seminar costs

Ineligible Costs
- overhead expenses
- purchase of land or buildings
- major capital expenses
- expenditures made on a project prior to BDF funding approval

Project Details
When applying for project funding, it is important for applicants to provide as much detail as possible. Board decisions are based on the information provided in the applications.

Please describe the following items thoroughly:
- the justification for and impact of the project
- budget details (include quotes if applicable)
- coinvestigators (include support or assistance provided)
- potential market or markets

Board Personnel

Board of Directors
Mr. Keith Howse, Chairperson ..... Pangman
Ms. Sandra Schneider ..... Medstead
Mr. Harold Yelland ..... Porcupine Plain
Mr. Calvin Knoss ..... Rockglen
Mr. George Siemens ..... Fiske
Mr. Lorne Cholin ..... Kerrobert

Staff

Staff services were provided through the Agriculture Research Branch and Administrative Services Branch of the Saskatchewan Department of Agriculture and Food.

Dr. A. Hamid Javed
Secretary

Ms. Wendy Darmochid
Financial Records

Mr. Ken Petruic
Financial Manager

Ms. Tammy Bast
Database Co-ordinator/Financial Records

Activities Report 2001-2002

This report covers the 2001-02 fiscal year of operation of the Saskatchewan Beef Development Board (SBDB).

Background

The Saskatchewan Beef Development Board (SBDB) was established on June 28, 1994, to administer the Beef Development Plan and utilize the funds saved due to the termination of the National Tripartite Stabilization Program and the surplus from the Saskatchewan Beef Stabilization Board marketing account.

The funding available to the SBDB on a one-time basis was $1.8 million from Saskatchewan Beef Stabilization Board marketing account and $1.4 million from the provincial government for the transition Beef Industry Development Fund (to replace the provincial share in the National Tripartite Stabilization Program funds).

The SBDB supports the development and diversification of Saskatchewan's beef industry through the funding of projects related to production research, including nutrition, management, disease prevention and pest control, reproduction, animal welfare, and environmental impact, technology transfer, and development and promotion of new products.

Activities in 2001-02

The SBDB held meetings on April 11, 2001, August 10, 2001 (via a conference call), and on October 15, 2001.

The first meeting included a session with the Minister of Saskatchewan Agriculture and Food to discuss issues of importance to the beef industry in Saskatchewan and the Western Canada.

The last meeting included presentations by the researchers whose projects were funded by the Beef Development Fund (BDF).

The salient decisions of the SBDB during the year 2001-2002 include:

- The SBDB approved its budget for 2001-2002 fiscal year.
- The Board approved its updated brochure with project information.
- The SBDB approved the update of the BDF Board Manual.
- The Board considered the meeting with the Minister very useful and supportive of the Board's work and approach to problem solving.
- The SBDB sponsored "Hot Box Competition" project executed by the Beef Information Centre to show case the versatility of beef in meals by the Chefs of Western Canada in Regina and exposure through television and other media.
- The Board wrote a letter to the Minister with suggested actions on the part of the government to help the beef industry (eg. replenishment of BIDF funding; removal of barriers to land ownership; and the ease and reasonable costs of provision of services such as electricity, gas, roads, etc. to the potential livestock facilities.
- The SBDB invited the researchers to present research progress and results to the Board on Beef Quality Assurance and Food Safety in Saskatchewan; promotion of animal welfare among livestock producers and the public at large by the Farm Animal Council of Saskatchewan (FACS); and Health and Feeding Strategies for Weaned Calves.
- The Board extended the Value-Added Beef Program funded by BDF to December 31, 2003, because of the program's excellent impact on beef research capacity and new beef products by attracting research and development (R&D) funding.

BDF Ongoing Projects

B010 – Beef Product Quality Program

- to establish an applied research and new product development capability specifically for beef.

Shand, Phyllis, Saskatchewan Food Innovation Program, University of Saskatchewan, 51 Campus Drive, SASKATOON SK S7N 5A8

B021 – To Establish "SASKBEEF" as a Neutral Beef Industry Forum

- to bring all stakeholders, involved in the development of the beef industry in Saskatchewan, together in an ongoing open forum.
- to provide an industry-wide team approach to promote the development of the beef industry.

Braaten, Milt, Saskatchewan Cattle Feeders Association, Box 116, ABBEY SK S0N 0A0

B031 – Development of Bovine Adenovirus as a Vector

- to develop adenovirus as a vector to deliver vaccines to mucosal surfaces.

Babiuk, Lorne, Veterinary Infectious Disease Organization (VIDO), 120 Veterinary Road, SASKATOON SK S7N 5E3

B036 – Health and Feeding Management Strategies for Newly Weaned Calves

- to develop receiving protocols and restricted feeding programs for cattle backgrounded and finished under Saskatchewan environmental conditions.

Campbell, John, R., Department of Herd Medicine and Theriogenology, Western College of Veterinary Medicine, University of Saskatchewan, 52 Campus Drive, SASKATOON SK S7N 5B4

B039 – Vaccine Delivery for Oral Immunization of Calves

- to develop vaccine delivery systems to orally immunize newborn calves.

Griebel, Philip, Veterinary Infectious Disease Organization (VIDO), 120 Veterinary Road, SASKATOON SK S7N 5E3

B042 – Corporate Membership in FACS

- to secure a three year Corporate Membership from the Saskatchewan Beef Development fund.
- to contribute as a support the Farm Animal Council's Core Activities.

Buettner, Adele, Farm Animal Council of Saskatchewan (FACS), 2nd Floor - 502-45th Street West, SASKATOON SK S7L 6H2

B044 – Founding Partner Membership in the Western Beef Development Centre Inc.

- to obtain a founding partner membership with the BDF and to continue to make an ongoing contribution to the production and distribution of information to beef cattle producers.

LaClare, John, Western Beef Development Centre Inc., 203 – 105 North Road, SASKATOON SK S7N 4L5

B045 – Beef Quality Assurance and Food Safety Projects for Saskatchewan

- to provide a technical and program update to qualified speakers in Saskatchewan.
- to focus communication efforts and assess communication tools/program.
- to assist administration of projects in Parts A, B, C, and E.
- to cover costs of speaker expenses.

Smith, Nikki, Saskatchewan Beef Quality Working Group, S[illegible]2 GB 259 RR4, Saskatchewan Cattle Feeders Association, SASKATOON SK S7K 3J7

B046 – An Assessment of Western Canadian Beef Development

- to investigate and analyse the implications of transforming cropland to livestock for at least two representative rural municipalities in Saskatchewan.

Schutz, Josef, University of Saskatchewan, 51 Campus Drive, Centre for the Study of Agriculture, Law and the Environment (CSALE), SASKATOON SK S7N 5A8

BDF Completed Projects

B001 – Semen Collection in Beef Bulls Without Electro-Ejaculation

- to explore an alternative means to electro-ejaculation for semen collection from untrained beef bulls.

Barth, Albert, Vet Teaching Hospital/Herd Medicine, Western College of Veterinary Medicine, University of Saskatchewan, 52 Campus Drive, SASKATOON SK S7N 5B4

B002 – Mapping Production and Carcass Traits by Microsatellite Typing in Beef Reference Families

- to make extensive use of the bovine gene map
- to find genetic linkage between production and carcass quality data and genetic markers in beef reference families, a process known as reverse genetics.

Mackay, George, Bova-Can Parentage Testing Inc., 15 Innovation Blvd., SASKATOON SK S7N 2X8

B004 – Development of Simple Blood Tests

- to improve detection of disease
- to develop rapid, accurate, and cost-effective methods for monitoring disease in cattle.
- to develop tests to measure aspects of the early inflammatory response which will be of diagnostic and prognostic value.

Godson, Dale, Veterinary Infectious Disease Organization (VIDO), 120 Veterinary Road, SASKATOON SK S7N 5E3

B005 – The Industrial Reorganization of the Beef Production Industry: Saskatchewan's Niche

- to investigate the industrial reorganization that is currently taking place in the beef production industry in North America.
- to determine where Saskatchewan's niche can best be developed.
- to accomplish preparing a comprehensive business plan which will include a human resource plan, a marketing plan, an operations plan, and a financial plan.

Brown, William, Department of Agricultural Economics, College of Agriculture, University of Saskatchewan, 51 Campus Drive, SASKATOON SK S7N 5A8

B007 – Investigation of Interleukin-8 Expression in Bovine Pneumonia and Arthritis

- to determine whether interleukin-8, a protein made in diseased tissue that acts to cause infiltration of neutrophils (a type that often causes tissue damage), is made in tissues from cattle with naturally occurring pneumonia or arthritis.

Sorden, D. Steven, Veterinary Pathology, Veterinary Infectious Disease Organization (VIDO), 52 Campus Drive, SASKATOON SK S7N 5B4

B009 – Immunocastration of Bulls: Effects on Aggressive Behavior and Carcass Quality

- to eliminate aggressive behavior in feedlot bulls especially during the finishing phase, capitalize on the superior growth, feed efficiency and lean carcass yield observed in bulls, eliminate dark cutting and reduced tenderness observed in bulls and to test an alternative humane castration procedure.

van Kessel, A.G., Department of Animal and Poultry Science, College of Agriculture, University of Saskatchewan, 72 Campus Drive, SASKATOON SK S7N 5B5

B013 – Demonstration of Automated Ultrasound Grading System to Cow-Calf Operators, Large Commercial Beef Feedlot operators and Pure Breed Operators

- to improve the software package developed in Phase III by providing feedback from demonstrations.
- to improve the usability of the marbling software by understanding the needs of users. to develop a strategy to market Saskatchewan beef based upon the effective use of predicting carcass grade in cattle destined for Canadian, American and other international markets.
- to evaluate the performance of field tests at bull test stations.

Johannesen, Sharron, Saskatchewan Cattle Feeders, Site 12 GB 259 RR4, SASKATOON SK S7K 3J7

BDF Completed Projects
(continued)

B015 – Integrated Backgrounding and Finishing Systems for Specific Markets (Melfort Phase)

- to develop new pasture and forage based systems for lower production costs for backgrounding calves.

to determine the economics of the various new forage backgrounding systems.
McCartney, Duane, Agriculture and Agri-Food Canada, 6000 C and E Trail, LACOMBE AB T4L 1W1

B016 – Request for Development of a Business Plan and Initial Seed Money for the Establishment of a Beef Research Centre

- to develop a business plan and initial seed money for the establishment of a beef research centre.

Laarveld, Bernard, Department of Animal and Poultry Science, College of Agriculture, University of Saskatchewan, 72 Campus Drive, SASKATOON SK S7N 5B5

B018 – Bovine Trichomoniasis: Prevalence in Saskatchewan and Improved Diagnostic Methods

- A province-wide survey of veterinary practitioners will give accurate data on the prevalence and risk factors for infections. The sensitivity and specificity of the present diagnostic methods for trichomoniasis are unsatisfactory. Required improvements will be sought, tested and made available to laboratories and veterinarians.

Campbell, John, R., Department of Herd Medicine, Western College of Veterinary Medicine, University of Saskatchewan, 52 Campus Drive SASKATOON SK S7N 5B4

B019 – Oral Vaccination of Neonatal Calves: Induction of Long-Term Immunity

- The adenovirus vaccine vector offers an effective method to deliver vaccine antigens directly to the site where immune responses first develop in newborn calves and in this way bypass problems associated with the immature system of newborn calves. Furthermore, the delivery of antigens directly to the site where the immune system first develops may induce lifelong immunity. Finally, oral immunization offers the potential advantage of being incorporated with current management practices (i.e. ear tagging and dehorning newborn calves).

Griebel, Philip, Veterinary Infectious Disease Organization (VIDO), 120 Veterinary Road, SASKATOON SK S7N 5E3

B020 – Series of Bovine Information Brochures

- to assist both new as well as existing producers. By providing knowledge of the symptoms, cause and treatment of common ailments found in modern cattle production, we hope to reduce the number of downer and condemned animals filtered through the auction markets.

Buettner, Adele, Farm Animal Council of Saskatchewan (FACS), 2nd Floor – 502 - 45th Street West, SASKATOON SK S7L 6H2

B022 – Fall and Winter Backgrounding of Beef Calves on Pasture

- to evaluate the production and economic feasibility of growing weaned beef calves from 550 pounds to 900 pounds on pasture during fall and winter in south western Saskatchewan.

Jefferson, Paul, G., Agriculture and Agri-Food Canada, P.O. Box 1030, SWIFT CURRENT SK S9H 3X2

B023 – Alternative Methods of Semen Collection in Beef Bulls

- to develop alternative methods for routine semen collection from untrained beef bulls.

Barth, Albert, Vet Teaching Hospital/Herd Medicine, University of Saskatchewan, 52 Campus Drive, SASKATOON SK S7N 5B4

B024 - Cattle FACS

- to assist both new as well as existing producers.
- to provide knowledge of the symptoms, cause and treatment of common ailments found in modern cattle production.

Buettner, Adele, Farm Animal Council of Saskatchewan (FACS), 2nd Floor – 502 - 45th Street West, SASKATOON SK S7L 6H2

BDF Completed Projects
(continued)

B025 - A Risk Management Option for the Saskatchewan Cow-Calf Producer

- to examine the potential benefits of a cow-calf/backgrounder price risk management tool that uses the Chicago Mercantile Exchange Feeder Cattle Futures contracts.

Brown, William, Department of Agricultural Economics, College of Agriculture, University of Saskatchewan, 51 Campus Drive, SASKATOON SK S7N 5A8

B026 – Demand for Value-Added Beef Products

- to assess the current and potential status of further processing of manufacturing and grinding beef in Saskatchewan in a Canadian context.
- to investigate the consumer preferences of such processed products.

to examine the domestic marketing chain for beef products.

Shand, Phyllis, Saskatchewan Food Talk, University of Saskatchewan, 51 Campus Drive SASKATOON SK S7N 5A8

B027 – Impacts of Livestock Penning on Groundwater Quality

- to characterize existing feedlots as to the amount and rate of transport of materials from feedlot manure through the unsaturated soil system and the saturated groundwater system.

Maule, Charles, Department of Agricultural Bioresources and Environmental Engineering, College of Engineering, University of Saskatchewan, 57 Campus Drive, SASKATOON SK S7N 5A9

B028 – Optimizing Pasture Production by Using Mixture of Native Shrubs and Legumes in Southwestern Saskatchewan]

- to optimize mixtures of shrubs and forbs for economical production of pasture.
- to obtain better understanding of mutual benefit of combinations of native forage shrubs and legumes to further improve their productivity.

Schellenberg, M.P., Agriculture and Agri-Food Canada, Box 1030, SWIFT CURRENT SK S9H 3X2

B029 – Core Funding for the Foundation for Animal Care Saskatchewan Inc. (FACS)

- to secure a three-year Corporate Membership from the Saskatchewan Beef Development Fund.
- to contribute as a Core Funder.

Buettner, Adele, Farm Animal Council of Saskatchewan (FACS).
502-45th Street West, 2nd Floor, SASKATOON SK S7L 6H2

B030 – Novel Vaccine Delivery Methods

- to examine methods of vaccine delivery, intranasal and transdermal.
- to compliment the ongoing research in this area at the Veterinary Infectious Disease Organization (VIDO).

Baca-Estrada, Maria, VIDO, 120 Veterinary Road, SASKATOON SK S7N 5E3

B032 – An Economic Analysis of Retained Ownership Strategies

- to analyze the impact of alternative ownership strategies on other profitability and cash flow of cow/calf producers in Saskatchewan.

Brown, William, Department of Agricultural Economics, College of Agriculture, University of Saskatchewan, 51 Campus Drive, SASKATOON SK S7N 5A8

B033 - "Reaching the Roots" Apprising Cattle Producers of Quality Improvement Targets and Management Methods

- to increase the awareness of factors influencing the quality and safety of beef products "from pasture to plate".

Smith, Nikki, Saskatchewan Cattle Feeders , Site 12 GB 259 RR4, SASKATOON SK S7K 3J7

B034 – Field Test Method for Blue-Green Algae Toxins

- to develop and/or verify a cost-effective and practical field test kit that can be used to detect the presence or absence of the toxins produced by blue-green algae within any type of water supply prone to their growth.

Bauer, Jim, Canadian Water Resource, P.O. Box 1329, CAMBRIDGE ON N1R 7G6

BDF Completed Projects
(continued)

B035 – Development of Rations for Red Veal Production with Holstein Bull Calves

- to develop and evaluate cereal grain based rations for production of red veal.

Christensen, D, Department of Animal and Poultry Science, College of Agriculture, University of Saskatchewan, 51 Campus Drive, SASKATOON SK S7N 5A8

B037 – Electric Fence Energizer Evaluations

- to evaluate a maximum of 12 electric fence energizers for effectiveness of this operation. These evaluations will be available to the public through information services provided by the Prairie Agricultural Machinery Institute (PAMI).

Lucyshyn, Troy, PAMI, Box 1150, HUMBOLDT SK S0K 2A0

B041 – Investigation of the Role of Bovine Virus Diarrhea (BVD) Virus and Mycoplasma Bovis in Chronic Pneumonia of Feedlot Cattle

- to clearly define BVD virus, mycoplasma bovis and other agents in chronic pneumonia in feedlot cattle.

Wobeser, A., Gary, Western College of Veterinary Medicine, 52 Campus Drive, SASKATOON SK S7N 5B4

B048 – Hot Box Competition

- to host a new organized event by the Regina Academy of Chefs and Cooks.

Perrin, Joan, Beef Information Centre, #8 – 2010 – 7th Avenue, REGINA SK S4R 1C2

Management Report

Management is responsible for the integrity of the accompanying financial statements and all other information in this Annual Report. It is the responsibility of management to prepare financial statements in accordance with generally accepted accounting principles in Canada.

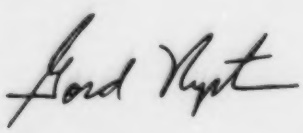
The integrity of the financial records from which these financial statements are prepared is largely dependent on management's systems of internal accounting controls. The purpose of such systems is to provide reasonable assurance that transactions are appropriately recorded in order to permit preparation of financial statements; and, assets are properly accounted for and safeguarded against loss from unauthorized use. Underlying this concept of reasonable assurance is the fact that limitations exist in any system of internal accounting controls based on the premise that the cost of such controls should not exceed the benefits derived therefrom.

The Board of Directors is responsible for ensuring that management fulfills its responsibilities for financial reporting and internal control. The Board meets periodically with management to satisfy itself that management's responsibilities are properly discharged, and reviews and approves the financial statements and annual report.

The Provincial Auditor of Saskatchewan has audited the financial statements. His report to the Members of the Legislative Assembly, stating the scope of the examination and opinions on the financial statements, appears on the following pages.

The financial statements have been examined and approved by the Board.

Submitted by:



Mr. Gordon Nystuen
Deputy Minister
Department of Agriculture, Food
and Rural Revitalization

Mr. Ken Petruic
Manager, Financial Services
Department of Agriculture,Food
and Rural Revitalization

June 12, 2002

BEEF DEVELOPMENT BOARD

FINANCIAL STATEMENTS

For the Year Ended March 31, 2002

AUDITOR'S REPORT

To the Members of the Legislative Assembly of Saskatchewan

I have audited the statement of financial position of the Beef Development Board as at March 31, 2002 and the statement of revenue, expenditure and net assets for the year then ended. The Board's management is responsible for preparing these financial statements. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Board as at March 31, 2002 and the results of its operations and its cash flows for the year then ended in accordance with Canadian generally accepted accounting principles.

Regina, Saskatchewan
June 12, 2002

Fred Wendel, CMA, CA
Provincial Auditor

BEEF DEVELOPMENT BOARD
STATEMENT OF FINANCIAL POSITION
As at March 31

ASSETS

	2002	2001
Current assets		
Due from General Revenue Fund (Note 4)	$ 999,667	$ 1,100,054
Accrued interest receivable	5,015	14,756
	$ 1,004,682	$ 1,114,810

LIABILITIES AND NET ASSETS

Current liabilities		
Accounts payable	$ 25,632	$ 9,270
Net assets (Statement 2)	979,050	1,105,540
	$ 1,004,682	$ 1,114,810

(See accompanying notes to the financial statements)

BEEF DEVELOPMENT BOARD
STATEMENT OF REVENUE, EXPENDITURE AND NET ASSETS
For the Year Ended March 31

	Budget 2002 (Note 7)	Actual 2002	Actual 2001
Revenue			
Interest revenue (Note 4)	$ 15,560	$ 36,204	$ 65,360
Miscellaneous revenue (Note 9)	—	30,000	—
Total revenue	15,560	66,204	65,360
Expenditure			
Project expenses (Note 5)	397,000	188,437	190,869
Board expenses	5,000	3,813	2,208
Miscellaneous expenses	—	444	588
Total expenditure	402,000	192,694	193,665
Deficit for the year	$ (386,440)	(126,490)	(128,305)
Net assets, beginning of year		1,105,540	1,233,845
Net assets, end of year - to Statement 1		$ 979,050	$ 1,105,540

(See accompanying notes to the fiancial statements)

BEEF DEVELOPMENT BOARD
NOTES TO THE FINANCIAL STATEMENTS
March 31, 2002

1. Authority

The Beef Development Board (Board) was established pursuant to Section 4 of *The Agri-Food Act* to administer the Beef Development Plan. The Beef Development Plan was established effective June 28, 1994 to enhance the Saskatchewan beef and beef cattle industry through research, development and promotional activities that the Board considers to be in the best interests of the industry.

The Board administers the Plan through the Beef Development Fund.

2. Significant Accounting Policies

These financial statements are prepared in accordance with Canadian generally accepted accounting principles. The following accounting principles are considered significant:

a) Accrual basis

The financial statements are prepared on the accrual basis of accounting.

b) Research and Development projects

Payments for research and development projects are recorded as project expenses when approved and the eligibility criteria, if any, have been met by the recipient.

3. Financial Instruments

Receivables/Payables

These financial instruments include both interest and non-interest bearing items that are due or payable within the next year. Due to this short-term maturity, the carrying value of these financial instruments approximates their fair value.

4. Related Party Transactions

Included in these financial statements are transactions with Saskatchewan Crown agencies related to the Board by virtue of common control or significant influence by the Government of Saskatchewan.

The monies of the Beef Development Board are deposited in the General Revenue Fund. Under this arrangement, interest is calculated on the net position of the Beef Development Board. Interest is allocated by the General Revenue Fund on a quarterly basis using the Government's thirty-day borrowing rate. The Government's average thirty-day borrowing rate for 2001/2002 is 3.41% (2000/2001 is 5.59%).

The Board receives the use of office and administrative services from the Department of Agriculture, Food and Rural Revitalization without charge.

Other transactions with related parties and amounts due to/from them are disclosed separately in the financial statements and notes thereto.

5. Research and Development Projects

Project expenses are as follows:

	2002	2001
Veterinary Infectious Disease Organization - University of Saskatchewan	$ 32,000	$ 35,400
University of Saskatchewan	67,800	78,269
Agriculture and Agri-Food Canada	21,637	22,200
Western Beef Development Center	25,000	25,000
Saskatchewan Cattle Feeders Association	—	1,000
Farm Animal Care Council of Saskatchewan	5,000	1,000
PAMI	12,000	---
Canadian Water Resource Association	7,000	14,000
Saskatchewan Beef Working Group	14,000	14,000
Saskatchewan Beef Information Centre	4,000	---
	$ 188,437	$ 190,869

6. Commitments

At March 31, 2002 the Board has approved projects for payment in 2002/2003 of $141,595, in 2003/2004 of $72,895, and in 2004/2005 of $25,000.

7. Budget

The Board approved the budget on April 11, 2001.

8. Cash Flow Statement

No cash flow statement is presented because the required cash flow information is readily apparent from the other financial statements.

9. Miscellaneous Revenue

The Board received $30,000 from Agriculture and Agri-Food Canada (AAFC) as a contribution to a project to investigate and analyze the implications of transforming cropland to livestock for at least two representative rural municipalities in Saskatchewan. At March 31, 2002, $15,000 had been paid to the project. The remaining $15,000 will be paid by March 31, 2003. The total cost of the project is to be a maximum of $150,000 including contributions of $60,000 from the Saskatchewan Department of Agriculture, Food and Rural Revitalization and $60,000 from the federal Department of Western Diversification.